

30 July 1965

MEMORANDUM FOR THE RECORD

SUBJECT: H. R. 8815

1. Assistant Secretary of the Treasury, Stanley S. Surrey, called today in connection with the proposed bill, H. R. 8815, to give tax exemption to disability retirements under the CIA Retirement Act. He said he had reviewed the situation and for the time being any action was blocked. The Joint Economic Committee had brought up the over-all problem of disability retirements with Chairman Mills of the House Ways and Means Committee. This had nothing to do with our bill and was based on a study of abuses in other retirement systems and particularly with Army retirements. According to Mr. Surrey, Mr. Mills told the Joint Economic Committee to continue its study of the disability situation and he would take no action. Mr. Surrey said this had been informally passed on to the White House. He said he felt the study would take two to three months, and he will let us know the outcome.

2. In view of this situation, I believe there is no further action to be taken until the basic problem is resolved.

s/ Lawrence R. Houston

LAWRENCE R. HOUSTON
General Counsel

Orig-OGC/LC subject
cc: D/Personnel
OGC/LC chrono
OGC:LRH:jeb